

# SFAC Meeting FY06-2

## Color codes

Yellow: Action item / Commitment

Green: Decision made

## Members noted in this document

LF	Lyle Friesen	RW	Rose Whelihan
TD	Teddy Dumlao	GZ	George Zeigler
KH	Karen Havird	BB	Bonnie Betz
BM	Brian Mee	RS	Rodger Studley
MG	Mary Gifford	KP	Kevin Price
DB	Dan Bigler	SW	Sandy Wilkins
TN	Tina Norton	HF	Harold Fredericks
CC	Chris Cable	KV	Katherine van Mourik
LM	Laura Miller	PB	Patricia Beatty
UR	Usha Raghavan	BT	Brenda Thomas

## Acronyms used

AG	Auditor General
SF	School Finance
ADM	Average Daily Membership
JTED	Joint Technological Education District
USFR	Uniform System of Financial Records
M&O	Maintenance and Operations Fund
EVIT	East Valley Institute of Technology
AFR	Annual Financial Reports
CSF	Classroom Site Fund
SDER	School District Employee Report
CCD	Common Core Data
NAVIT	Northern Arizona Vocation Institute of Technology
AASBO	Arizona Association of School Business Officials
ADE	Arizona Department of Education
LEAs	Local Education Agencies

## Meeting Start

- LF: This is our last meeting in our building  
Ralphie has moved on to the Washington district
- TD: (Logistics Review)
- LF: Add agenda item ADM attendance auditing
- TD: Minutes from the last 2 meetings will be distributed for review  
Will no longer distribute detailed minutes.  
They will be posted to website for review/download

## Reports from the subcommittees

- KH: Recommend USSFR to USFR (TD)
- BM: Bonnie Betz is a part of subcommittee (TD)

Met in august

Looking at possible recommendation for growth to be current year allocation instead of for following year. Like M&O growth.

Went through a number of scenarios will be ready for next meeting

Fiscal impact can be done in 3 different ways.

Will have a recommendation for the committee

Very positive meeting

With this recommendation it will require legislative change; would become effective for next year.

Discussed if the committee would be able to support if a group wanted to introduce the bill this year...

We would not be recommending any decrease in the funding

Why would we not want to increase for capital and soft capital?

MG: Could we get advice from Art Harding on this?

LF: We'll ask Art Harding

Need to be prepared whatever you do.

Right now we're looking at districts.

MG: I would not be in favor if it did NOT consider ups and downs.

BM We're considering adding 2 additional categories. Not trying to change law or intent of law.

Increase was only based on M&O.

DB: Just talking about making it similar to M&O

BM 5% growth would go away. Would have funding for growth in 3 categories.

And receive capital in year you experience growth.

TN: Talked about dollars included in Base year

Include capital funds

Should grant funds be included?

How identify commitments from M&O and JTED?

How available is that data?

Prop 301 monies can't identify as JTED. Should be excluded

Better discussion for this group or subcommittee

What if district is growing :

If declining : would vocational be cut first? Is that supplanting?

Test for supplanting looking at current year vs. base year.

Biggest rec. JTED must be accounted in a separate fund.

Annual report should be compiled each year. To prove not supplanting

Required use of 270 program code.

KH Looking for direction from ADE...

CC We met with depart. Spoke with all EVIT and will solicit input from all 69 JTED districts. We looked into other accounting records available.

The guidance has several concerns addressed.

Look at capital in a separate framework.

AASBO look to forums for input and comment

Base Year (big hurdle)

Alternative to come forward to primary or secondary year

Few of these are identified on your AFR.

We are looking for a reasonable solution to make calculation of how that money can be to a more current number.

See if district is maintaining that level of per pupil expenditure.

We're talking about the change in the base level.

RS if your district is in reduction at the time JTED comes in. And had planned to eliminate in 5 years.  
Now if we have to go back into base year we will be looking at supplanting.

LF when we met with AG we agreed there would be scenarios we didn't anticipate.  
We would want to give it a consideration.

KH We've reached a point where we are asking "what do you want us to do?"  
Do we leave it with you or wait till AG starts collecting more input?  
Very different views on some of these  
A lot of questions that we would like some input.

GZ an obvious problem is the definition of the base year. Biggest issue was the satellite.  
Only way to address that is through legislation.

AS Maybe we should wait for AG and be reactive.  
What should we be proactive in?

LF Are JTEDs here representative of the 69?

AS We just started our JTED  
I want a snapshot of what program looks like and see what to do with the funds

BT I'm a member of NAVIT  
Major question: What is the definition of supplanting?  
Maybe I should stay in contact with Chris

LF Bren and Adrian committee seem to be suggesting that this committee not get involved but allow  
personal involvement

BT Chris is welcome to make a presentation to NAVIT.

KP Question to AG : would it be beneficial for subcommittee to work with your office?

CC Subcommittee is not necessarily representative of all districts.  
EVITs have farthest back base year.  
We will take all input under consideration.  
We want input from all member districts.

PW Is it possible for subcommittee to make contact with other 69 JTEDs build consensus and funnel  
information. We want to try to make a body that acts as a coalition.

GZ If AG is already doing that it would take a lot of time for subcommittee to contact districts.  
Definition of a satellite  
Our definition is that it is a feeder program into EVIT.

KH I'm a business person. My Voc Ed are the right people to address that.

LF Statute doesn't define it either.  
CTE is working on it.

GZ They want to name specific classes.  
They should just give us the guidelines for us to work with,  
Big issue is base year legal definition is 1991

AS Should we be proactive in definitions?

LF Defining satellite... Both definitions could be legitimate.

SW We're in 3<sup>rd</sup> year. All of our programs are satellite, but that could change.  
We implemented new CTE programs. "culinary arts program"  
We have huge commitment to it...  
Huge gray areas. I'm uncomfortable with JTED philosophy. I'm confused about it. I see a lot of  
concerns and we're newbies.

BB this committee can recommend legislative issues.

LF we would have to find someone to lobby for it.

TN We could offer input on definition of satellite.

RW You might want to get with someone from CTE department for help.

LF CTE approves satellite courses.

KH CTE is voc department of ADE. Are they working with others or coming up with ideas by themselves.

KH (to AG) are you looking to a definition of satellite?

GZ Maybe we should work on it.  
**Recommendation that subcommittee continue.**

KH most of the team is JTED member. Mark is a nice guy to have along.  
 Can we add members?

LF **Joel (TD)** has some value to add.  
 We keep on going with recommendations...

KH **George Joel and Sandy (TD).**  
**Come up with definition of JTED satellite courses.**

LF **AG will get more input from other JTEDs .... The 69**

### **Concurrent enrollment**

RW: (refer to recommendations)  
 Biggest issue: some students cut in half  
 Statute cuts it in half  
 Full day vs. half day Kindergarten.  
 Charter didn't know child was enrolled in EVIT  
 Everybody wants equal funding statewide.

BB There are concurrency issues... HF found Charter students.  
 Concurrency rule charter gets 1.0 and charter has money to pay tuition bill.

KH Are you working on that? I know which high school is refusing that service.  
 Are you working on that one? How are you working on them?

LF We provide a document that says a district must enroll.

KH So your hands are tied?

RW Definition of a normal school day and a full time program.

MG It's a hard sell to taxpayers to explain why they have to pay 2.0 ADM for any kid in any year  
 I lost my funding when we were providing the academics and other schools were providing the other types of classes.

RW It is happening when have student going from D to D and C to C

LF What if student really wants to crack down and really work on graduating?

RS SAIS... we have created attendance... We reported gross number and not the detail. Now we have more things brought to light. Now every kid is identified with detail. Now we're paid less

KP you can build a case for a kid funded 1.5, 1.7... Some kids want to expedite. And you can build a case to justify. We can get him out of the system sooner. We can have a situation of a kid over a 2.

HF What was the intent behind that definition? Was it an oversight?

MG They didn't want to pay double and didn't think about D to D mobility and C to C mobility

HF Can you go to 3.0 ADM?

LF There are situations where you can get that.

KH If it goes to limiting 1.0 then allow the option to refuse.

MC What is the impact to state? How many students are we talking about?

LF much less than 20k kids. **We should look at that.**

SW We are looking at more trouble as well.

GZ We ought to add the flexibility. You may save or break even over the course of time. My kids have done all kinds of scenarios. Funding needs to follow flexibility

**MG Subcommittee:**

Look at savings from digital learning.

Look at 4 hour requirement for high school

What would be a full time day in a high school?

HF What will it take to change and drop statutes?

LF A good talker.

GZ How many kids are we talking about?

MG I think this involves a lot more kids

KH I'm not even getting .5 for my kindergarten kids.

HF go through fairness instead of monetary angle  
Kids that accelerate the system not necessarily saving money.  
Other kids may

DB Remediation: kids taking summer courses another big group.

KP outside of Kinders, if you looked into numbers,  
Where is the break in the concurrencies?

LF ADE should query concurrency information

MG Develop fiscal impact.

Survey charter schools and find their capacity

LF Will continue Concurrent Enrollment subcommittee  
And justify increased current cost.

MG incentive to be creative in swapping kids between TAPBI programs

LF TAPBI issue

## ***SDER Update***

BB 2 suggestions

Take 301 budgetary amounts reported on CSF payment 40% of that. We would like you to include performance pay?

We apologize for lateness. I was worried we couldn't accept it all.

We could publish an extension of deadline but we will accept reports even if late.

We have holes in data for number of pupils reporting and number of teachers.

We are asking charter schools to now include that data.

To include in ee05 report due in March and nonfiscal CCD report.

We will include some info at Charter school association conference.

(UR)Indian gaming dollars (use last year dollar amounts)

Career ladder should be included

KH I can't change all salaries by hand. What do you suggest? We upload.

Through EMA out of Alaska. Special piece of code to do SDER

We budget for performance pay. But they weren't paid as of Oct 1 for those dollars.

BB Just do what you can do.

RS We have tried to comply... taking hours. It's difficult to go back 6 min/employee/contract.

I'm concerned that the data may or may not be held against us....need more time.

Will this be brought up that the additional work to drop 65 to 62?

Every request from legislature requires admin work.

KH Those one time pays 301. To put it in as one time and take it out is a variable that's hard to program for.

GZ Career ladder dollars change program to add those dollars to contract amount for each teacher.

BB I'd like to see your struggles and look at your system.

RS (reviews the handout.)

KH Maybe time for AG to reanalyze those codes.

Laura Miller (LM)

We will revisit at some point.

Federal chart has changed.

Instructional aides and equip are capital.

End of March

2800, 2200, 2500 function code is going away

RS Biggest concern is the code, but if ignore and pretend its capital

Its lists a musical instrument as an instructional aide.

LM We are looking at putting it in both places.

CC Are kazoos being used in class as an instructional aide.

LF Has this been resolved

### ***Expedite ADM reconciliation (UR)***

KV By May we should have all your 100 day data in.

If your data is in by March we should be resolving integrity errors.

By mid –April should have good numbers

Still working with MIS, found 2 instances of logic problems.

Those require us to re-aggregate.

By end of March should have most of numbers you need for your budget.

UR We're just trying to get those numbers to match in SAIS

Reports we can only run by grade level for each school

KV We're looking to fix that inefficiency issue in the next few months.

Will have flat file available ... we request by November.

Asking to store prior reports.

At least from the prior month.

Need to reconcile 40 day report in 30 days.

LF This would be good issue for your concurrency subcommittee (TD). 915 could affect other concurrent schools funding

RS We send in a file. Depending on timing I'm waiting 3 weeks to a month.

If we could get a timely turn around.

So that report from SF and SAIS upload is the same date.

We're hoping snapshot at end of month will be there.

Send data in by 27<sup>th</sup> of the month.

Integrity can barely handle the load of files.

KH There is more frustration. All of a sudden this year we seemed to have more issues. I don't know how to address that.

DB Aren't there new fields

KH It's hard to keep up with the changes.

LF You should document the changes. We will share documents with whomever we can. Even things like electronic flat file. Pros and cons.

We have new leader in MIS

KV Written is better than verbal

HF 1. District level its one file but broken out by grade. (FY05)  
2. Notion of reconciling. How to compare 75 with what's in SMS. You can use access to do that. (RS – the text file is garbage)  
3. If integrity is clear and If your 72 matches your SMS. Everything after that is on ADE's side.  
4.

RS I was around before SAIS and we were trying to make ADE aware of the volume of data... we heard "We got it taken care of..." We are still facing that today.  
I feel we are doing our part. I understand you are limited in funds.

KH Maybe new director of IT needs to hear that frustration.

RS I would like to thank ADE SF... 15 years ago ADE would bend over backwards before. It's flipped over and now it's flipped back. Thanks,  
(Applause)

LF It was so easy before.

### ***Reallocation of RCL***

UR (review handout)

LF We're not sure why prohibition was put in place since Jaime's time.  
**Go ahead and reallocate RCL. But not to prior years**

BM It came from Districts switching back and forth

LF It does matter in some counties

RS I just have spreadsheet with AG formula. At the end of the year I put those numbers in and do a journal entry.  
(Philip Williams left the meeting)

### ***Auditable ADM process***

PC We would like to get volunteers to subcommittee for this issue.  
We're concerned that some SMS systems do not capture changes made after original entry and before upload to SAIS.  
**Marry Gifford volunteered (School Master) TAPBI**  
**John Blair (School master and CERTS)**  
**Usha (SASI)**  
**Kevin Price (Genesis and SASI)**  
**Rachel Whitmer (Power school)**  
**Pat Beady**  
**Rose Whelihan**

MC Difference in SMS and SAIS

PC Not so much interested in tardiness, but really all kinds of changes

RW Majority of systems do not have audit trail.

KH Last year; full day absence on first day of enrollment.  
In last Inside SAIS newsletter, it said it would be considered for 07-08  
**Status on that? Memorandum... Writing and definition? (LF)**

PB Full Day Kinder Capital .. whose rules are we applying?

LF **We are leaving it up SFB**

# Meeting Summary

## ***Decisions and Highlights***

- We will no longer print detailed minutes
- School Finance will accept late SDER reports
- AG announces that 2800,2200,2500 function codes are going away
- If LEAs are having issues with these changes, they should be documented and sent to School Finance
- School Finance will also allow reallocation of RCL but not to prior years
- We are applying the School Finance Board rules on Full day Kindergarten Capital

## ***Action Items / Commitments***

- TD     Distribute minutes from last 2 meetings for review  
Post detailed minutes for download from SFAC website  
Change USSFR to USFR  
Add BB to Current Year Capital Growth Committee
- BB     Will include SDER info at Charter school association conference  
Will stop by to take a look at KH's system to see the data entry challenges
- LF     Get advice from Art on increase to capital and soft capital  
Get a status, memorandum, writing, definition for full day absence on first day of enrollment.
- CC     AG will solicit input from all 69 JTEDs  
AG will look for a reasonable solution to make calculation of how that money can be to a more current number.  
See if district is maintaining the level of per pupil expenditure.
- BT     contact Chris about making a presentation to NAVIT
- LM     AG is looking at putting code in both places (re: issue of musical instrument /aid and capital)
- KV     School Finance should have 100 day data in by May  
By mid-April School Finance should have good numbers  
By end of March School Finance should have most of the numbers needed for budgets  
Looking to fix inefficient reporting in the next few months  
School Finance will have a flat file available for download (we requested by November)



## Subcommittees

Status	Name	Chair	Members	Action Items
Cont.	JTED Supplanting	Tina Norton	George Joel Sandy	<ul style="list-style-type: none"> <li>• Look into the definition of a satellites and JTED satellite courses</li> </ul>
Cont.	Concurrent Enrollment	Rose Whelihan		<ul style="list-style-type: none"> <li>• Look at savings from digital learning.</li> <li>• Look at 4 hour requirement for high school</li> <li>• What would be a full time day in a high school?</li> <li>• Develop fiscal impact.</li> <li>• Survey charter schools and find their capacity</li> <li>• justify increased current cost</li> <li>• 915 could effect other concurrent schools funding</li> </ul>
New	Auditable ADM		Mary Gifford John Blair Kevin Price Rachel Whitmer Pat Beady Rose Whelihan <u>Paul Carolan</u>	<ul style="list-style-type: none"> <li>• Recommend a process for documenting auditable changes from the original attendance entry to the SMS</li> </ul>